

Health Care Cabinet

Wednesday, May 16, 2012 Meeting Minutes

Cabinet Attendees: Lieutenant Governor Nancy Wyman, Chair; Patricia Baker, Vice Chair; Ellen Andrews; Phil Boyle; Roderick Bremby; Jeannette DeJesús; Bonita Grubbs; Steven Hanks; Jamesina Henderson; Jeffrey Lucht; Terrence Macy; Donna Moore; Jewel Mullen; Frances Padilla; Margaret Smith; Robert Tessier; Vicki Veltri; Joanne Walsh; Joshua Wojcik; Peter Zelez

Absent: Anne Foley; Janice Gruendel; William Handelman; Sarah Kolb; John Orazietti; Pat Rehmer; Linda St. Peter

1. Call to Order & Introductions | Lt. Governor Wyman

Lieutenant Governor Nancy Wyman opened the meeting at 10:00 am by welcoming all attendees. She introduced Jamesina Henderson, a new Cabinet member.

2. Public Comment | Lt. Governor Wyman

There were no public comments.

3. Review and Approval of Minutes | Lt. Governor Wyman

Minutes from the April 10, 2012 meeting were approved with no changes.

4. Presentation by Capitol District Physicians' Health Plan | Frances Padilla

Frances Padilla introduced Bob Little and Dr. John Bennett from the Capital District Physicians' Health Plan (CDPHP) who gave the presentation <u>Health Value Strategy and the Commercial Markets</u>.

Mr. Little and Dr. Bennett opened the floor to questions from Cabinet members. There was discussion about the methodology used, particularly how the increased compensation rates for practices and savings are found. Using patient centered medical homes leads to decreased hospitalizations, healthier populations, fewer ER visits, and less high tech imaging, while the rapidly increasing use of generic prescribing rates also contributes greatly to savings. The pool of money is created by the savings, and access to the bonus is through quality and service metrics. To create member incentives for improving health, there are two different levels of

plan design, where members can begin in the lower level plan design and progress to the higher level or vice versa. This "carrot and stick" design proves to be effective in changing members' behaviors. CDPHP is also beginning to create patient portals to enable members to track their progress and be informed about their care. There is also ongoing dialog with specialists who are considering value based payment methods. CDPHP is working with hospitals considering total cost of care initiatives. The goal is to eliminate variations in cost of care in different institutions; these variations aren't driven by quality but purely by market power.

CDPHP pays different rates for the commercial and Medicaid/Medicare market. CDPHP made an early decision that the medical home pilot would be a single payer model and provided funding for the transformation of these practices. The pilot began with practices having a minimum of 40% CDPHP coverage. There are now 16 practices that are part of this global capitation model; by early 2013 this will increase to 73 practices, with the goal of having 100,000 patients using medical homes or enhanced primary care. CDPHP has a strong involvement with these practices, employing part time case managers in each of them. CDPHP also has begun to use community health workers, particularly in the Medicaid population, to assist people with overcoming social issues interfering with obtaining care.

CDPHP covers a large variety of practices, ranging from solo practices to groups as large as ten providers. There is a challenge in engaging pediatricians because there are no savings to be gained due to children's care usually being inexpensive. The Healthcare Effectiveness Data and Information Set (HEDIS) and the Medicare Stars Program are utilized to measure quality. CDPHP has developed partnerships with providers to obtain their input, which is crucial to measuring quality. Another challenge presented is working with different health plans with different requirements, and determining how to do multi-payer efforts, which is difficult. It is hoped that as technology advances, there will be real time clinical data that can provide more meaningful statistics. Employers can provide data from personal health assessments and biometric screenings, which will make it easier to detect patterns.

Vicki Veltri asked whether out of network care has been redirected into the network and also if savings have been realized by the integration of mental health care. CDPHP doesn't differentiate care management between plans, providing the same level of care to all clients. There is a focus on using the care model to reduce out of network costs, but this is an area that needs more work. Out of network referrals often are a result of geography, but a great network has been established in New York City, leading to decreased out of network referrals. Regarding mental health, CDPHP has saved considerable money by integrating mental health care, and quality scores in behavioral health have gone up. Ms. Padilla asked how CDPHP plans to expand into the small group and individual markets in preparation for the New York State exchange. CDPHP feels that engaging employers has had a positive impact on the wellness of employees; however this isn't the case for small groups and individuals. CDPHP has partnered aggressively with providers on reimbursement and care delivery, and also as their benefit provider. CDPHP providers understand the data, clinical management and programs utilized. These providers will become clinical account managers for population health in their communities with CDPHP's assistance, thus reaching the small group market. Case managers embedded in CDPHP practices have done much to teach providers about population health management. Additionally, CDPHP has partnered with provider groups in educational efforts in the community.

5. Office of Health Reform & Innovation - Updates | Special Advisor Jeannette DeJesús

Special Advisor DeJesús reported that the All-Payer Claims Database legislation passed and is expected to be signed into law by the Governor shortly. She publicly acknowledged Lt. Governor Wyman as being instrumental in getting this passed. Special advisor DeJesús added that another project of the Office, the Comprehensive Primary Care Initiative (CPCI), was not funded by the federal government; however, the Office is now developing an initiative that mimics some of the most significant aspects of the CPCI. Information on Office activities is available online.

6. Work Group Updates

Basic Health Plan | Special Advisor Jeannette DeJesús

Meeting agendas, minutes and proposed meeting dates are now posted on the website, <u>Basic</u> Health Plan .

Consumer Advisory Board | Special Advisor Jeannette DeJesús

This group decided that two or three members would attend each Exchange and Cabinet meeting in order to ascertain which issues being addressed should be included in Board meeting agendas. Special Advisor DeJesús introduced Rick Porth, co-chair of this group, noting that there will be other members attending future meetings. Additional information is posted online.

Health Technology (HIT)

There was no report at this time. Information for this group is available online.

Delivery System Innovation | Pat Baker

This group has already presented its recommendations to the Cabinet. In determining the next steps, the group discussed workforce and patient centeredness. Topics discussed included: money following the person; integrating oral and mental health into healthcare delivery systems and how this integration affects the workforce; and the concept of team and the roles of various members of the workforce on the team. The work group is looking forward to the June Cabinet meeting regarding priorities in order to maximize available resources for the greatest impact. This work group's information is posted online.

Business Plan Development | Frances Padilla

This group is meeting approximately every two weeks while working on priority recommendations. Tom Woodruff from the State Comptroller's Office recently addressed the group about the State Employee Health Plan. Rob Zavoski from the Department of Social Services spoke to the group about the Medicaid program. This work group is working diligently to align its recommendations with those of the HIT and Innovation groups.

Information on this work group's activities can be found <u>online</u>. Lt. Governor Wyman pointed out that the State Employee Health Plan now utilizes incentives rewarding employees following health care guidelines with lower monthly premiums than those who don't comply.

Health Insurance Exchange | Lt. Governor Wyman

The permanent CEO will be announced shortly and will be attending future Cabinet meetings to report on Exchange activities. Further information on the Exchange can be found <u>online</u>.

7. Next Steps

Special Advisor DeJesús said the Office of Health Reform & Innovation will be posting two announcements on the website within the next few weeks, one concerning an initiative for comprehensive primary care and the other a community based statewide initiative. More information will be available at next month's Cabinet meeting.

Bonita Grubbs asked to what extent the work groups will pull together and integrate with each other. Pat Baker replied that the Business Plan group will share its priorities with the Cabinet in June. The Cabinet will then make recommendations from all work group priorities beginning in June or July, depending on time available within the meetings.

8. Adjournment

Meeting was adjourned at 11:35 am. Next meeting - Tuesday June 12, 2012 at 9:00 am.